

Alpena Housing Task Force Announces Results of its Housing Needs Assessment

July 14, 2023

The Alpena Housing Task Force recently received the results from its Housing Needs Assessment of Alpena County, as prepared by Community Research Services, LLC. As part of the assessment, primary researcher Kelly Murdock researched demographic trends, economic conditions, and the community's strengths and weaknesses from a housing perspective to identify housing market potential within Alpena and across Alpena County. The recommendations and findings from the assessment will shape the goals and activities of the Alpena Housing Task Force, a group made up of local stakeholders, community organizations, and governmental leaders. The Task Force meets monthly on the second Tuesday of the month at 1 pm at Alpena City Hall (208 N. First Ave).

The assessment was made possible through funding from the First Federal Legacy Foundation, City of Alpena, Cinnaire, County of Alpena, Community Foundation for Northeast Michigan, Besser Foundation, MyMichigan Health, Charter Township of Alpena, and DTE Foundation.

A summary of the key findings are outlined below. Kelly Murdock will also be presenting a summary of the findings at the Alpena Municipal Council meeting on Monday, July 17th 6pm at Alpena City Hall. Members of the public are welcome to join. A full version of the study can be found here: https://www.alpena.mi.us/government/task_force.php

Types of Housing Needs

One of the primary housing issues within Alpena County and much of Michigan is a lack of supply, as construction levels receded after the 2008 housing crisis and recession. A diverse set of housing stock (rentals and owner-occupied) is necessary for the future stability and growth of the Alpena area. The assessment found that the Alpena area could support an additional 284 rental units across target markets.

The top three Target Markets & Demand Potential:

- Moderately Priced Homes available for purchase within the \$175,000- \$250,000 range
 - Homes within this segment of the housing market are rapidly sold, and the lack of such homes will have an increasingly unfavorable impact upon the local economy, school district, and labor force, as the area will struggle to attract families, entry-level households, and permanent residents.
- Market Rate Rentals for incomes \$38,000-\$120,000
 - Combination of one and two-bedroom units. Location within Downtown Alpena is ideal with an emphasis on community features and work-from-home residents.
 - *Approximate Market Demand: 60-80 units*
- Workforce Housing Rental for incomes \$28,000-\$60,000
 - Units could be included in mixed-income property with affordable options. Combination of one and two-bedroom units.

- *Approximate Market Demand: 50-60 units*

Key Demographic Changes

The City and Alpena area exhibit generally stable demographic trends with a slight decline in population and household totals from 2020. Looking to the future, the primary trend noted in is the growing number of senior households (55+) across Alpena County as a whole, which is currently the largest single household category. Continued trends of an aging population and declining birthrates will result in the Alpena community transforming into a primarily retirement community, “leading a shift in the community’s characteristics which will eventually negatively impact the school system, tax base, employment base, and retail/service availability,” as noted in the assessment.

The Alpena area’s ability to attract entry level households across these moderate-income and upper-income ranges is limited by a lack of supply of moderate and upper-moderate homes for purchase, despite generally reasonable price points across the community. These factors negate the strong placemaking efforts and assets within the City, which have made it an attractive place to live. Areas such as Traverse City or Gaylord that have a greater degree of housing options available are much more competitive.

As such, one of the study’s key recommendations is the addition of homes within the \$175,000-\$200,000 range, and market rate rental for incomes in the \$38,000-\$120,000.

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